

Exhibit G

1 A. The two forces are related, but specifically that force
2 I'm referencing is that the majority of U.S. employers above
3 the small employer market, so the so-called 50-life or in
4 some states 100-life market, are self-funded, and that's a
5 phenomenon that's evaluated over the last, maybe, eight
6 years or more and more employers are transparent ASO or
7 self-funded.

8 And the reason why it's relevant is that when the
9 combined company or so-called NewCo improves cost, medical
10 costs, that is, largely they flow back to the benefit of the
11 client and customer. That was that point.

12 Q. And what's the second point, the second major force?

13 A. Let me make sure I read this for the intent that I
14 thought I made. This is a year ago.

15 So this just talks about post the ACA being a
16 method, the threshold levels for the medical loss ratio. So
17 what I'm asserting there and believe is that pre the ACA,
18 when we achieved cost health insurance, which is the other
19 side of ASO, if medical costs ran favorable, typically those
20 dollars were saved by the health insurance company or the
21 health service company.

22 Post the ACA, there's an MLR threshold, medical
23 loss ratio threshold, and to the extent your medical costs
24 are below a certain threshold or better than, you have to
25 rebate it back.

1 So all I'm making a point of is alignment,
2 interestingly the point we talked about earlier today. The
3 marketplace as a whole is more aligned than it used to be
4 for an ASO customer. It's aligned because if costs are
5 improved, they would flow back to the client and customer,
6 and even in the guaranteed cost marketplace, post the ACA,
7 the medical loss ratio threshold would suggest that if you
8 perform better than, if you delivered better medical costs,
9 you're going to have to credit that back. You don't get to
10 unilaterally benefit.

11 That was the point I was making.

12 Q. Okay. And then in the paragraph right after that,
13 there's a sentence where you say, "And so my point is the
14 market forces are different from a transparency standpoint,
15 and point two is there is a whole new cadre of competitors
16 in this space." Do you say that, sir?

17 A. I do.

18 THE COURT: Mr. Curran, I believe that what you're
19 actually doing at this point is going beyond the scope of
20 direct and trying to put in some of your direct case through
21 this gentleman. Since this document was put in, I'm going
22 to let you do this, but if you want to really do this, at
23 some point you're going to have to call a witness to do
24 this.

25 MR. CURRAN: I will. I was just using that